




Hamilton

**CITY OF HAMILTON  
OFFICE OF THE AUDITOR GENERAL**

<b>TO:</b>	Deputy Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	May 31, 2023
<b>SUBJECT/REPORT NO:</b>	Elections Administration Audit (AUD23008) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Charles Brown CPA, CA (905) 546-2424 Ext. 4469 Brigitte Minard CPA, CA, CIA, CGAP, CFE (905) 546-2424 Ext. 3107 Kris Fletcher (Consultant) Valencia Risk Metroline Research Group
<b>SUBMITTED BY:</b>	Charles Brown CPA, CA Auditor General Office of the Auditor General
<b>SIGNATURE:</b>	

**RECOMMENDATION**

- (a) That Report AUD23008, respecting the Elections Administration Audit be received;
- (b) That the Management Response, as detailed in Appendix “D” to Report AUD23008 be received;
- (c) That the City Clerk be requested to report back to the Office of the Auditor General by September 2023 with a detailed management action plan, which will then be reported to the General Issues Committee; and

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OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

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- (d) That the General Issues Committee Outstanding Business List Item 2023-V, respecting the Audit of the 2022 Municipal Elections in the City of Hamilton, be considered complete and removed.

## **EXECUTIVE SUMMARY**

The purpose of the audit of elections administration was to review and assess the adequacy and effectiveness of systems, resources, agreements, policies and procedures used to administer the 2022 election cycle. Relevant to our audit were election processes not only on election day, but those prior and leading up to the election. Accordingly, we reviewed various processes related to logistics, communications, planning and preparations, in addition to those affecting compliance with procedural requirements of the *Municipal Elections Act*.

The review was conducted in three parallel streams. The first stream was the review by a municipal expert of the key processes used to administer the election. The major areas reviewed included elector information, voting list, location management, candidate nomination and information, voting methods, procedures and administration, and third-party advertisers.

For the compliance review phase, our Office found that the Clerks processes substantially complied with requirements under the *MEA*. As indicated in the detailed report, there were some compliance issues related to voting hours, voter lists and notification. However, the deviations did not compromise in any material way the seven generally accepted election principles that engender confidentiality of voting, absence of bias, voter accessibility, integrity, certainty and accuracy of results, and fair and consistent treatment of voters and candidates. There were some important observations relating to more efficient and effective processes to better support candidates and voters that we outline in the report.

For the technology assessment phase we found that technologies, when deployed and used as designed, are reliable and effective in protecting against security or infiltration threats, and in providing accurate processing and outputs. Some issues found relate to the absence of Canadian standards with which to assess and ensure the sufficiency and efficacy of technology controls, limited training and technical support, the level of involvement of in-house IT security, use of formal IT threat assessment, lack of contingency planning and the need for stronger technical controls.

For the survey phase, the results show that residents are mainly satisfied with the process, with 68% saying they were very satisfied and 24% somewhat satisfied (92% total). Some 86% said they were able to cast their vote in 10 minutes or less. The survey sent to all 150 candidates brought 42 responses (28%). Over half responding candidates were satisfied (very or somewhat) with every resource. About 81% made

use of the candidates portal with 62% saying that finding information was very or somewhat easy and 26% saying it was very or somewhat difficult. The two primary election administration issues expressed by candidates were residents not receiving a voter's card (67%) and residents not aware of their polling locations (55%). From the survey results we concluded there is opportunity to improve the candidate experience.

Overall, we have made 50 recommendations to the Clerk for consideration in the next election. Given the breadth and depth of recommendations, balanced with the need to bring forward timely findings as directed by Council, the City Clerk has agreed to provide OAG with one overall Management Response, with a commitment to provide a detailed set of management action plans for each recommendation to the OAG by September 2023. These will be brought forward and reported to General Issues Committee upon acceptance and review by the OAG.

### **Alternatives for Consideration – Not Applicable**

### **FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: None.

Staffing: None.

Legal: None.

### **HISTORICAL BACKGROUND**

On January 25, 2023, Council provided the following direction to the Auditor General (previously known as City Auditor):

#### **Audit of the 2022 Municipal Elections in the City of Hamilton (Item 11.2)**

WHEREAS, the City Clerk has responsibility under the *Municipal Elections Act* for conducting elections within the city of Hamilton;

WHEREAS, Council is responsible for providing funding for the conduct of municipal elections, the use of City resources during an election, the methods used for voting and the passing of by-laws related to election signs; and,

WHEREAS, there have been concerns raised including, but not limited to, the use of vote by mail ballots, elector privacy, timely distribution of information to electors and

candidates, as well as voting delays during the 2022 municipal elections in the city of Hamilton;

THEREFORE, BE IT RESOLVED:

- (a) That the City Auditor be directed to:
  - (i) undertake and oversee, an audit of the administration of the 2022 municipal election in the city of Hamilton and report back in May of 2023 to Audit, Finance and Administration Committee on the findings of the audit to ensure that sufficient systems, resources, vendors and vendor agreements, and policies and procedures are in place to comply with the provisions of the *Municipal Elections Act*;
  - (ii) produce an actionable set of recommendations focused on improving the administration of the City of Hamilton's elections for the 2026 municipal election; and,
  - (iii) and make recommendations to Council with regards to suggested legislative reforms to the Municipal Elections Act; and,
- (b) That the audit process, of the 2022 municipal election in the city of Hamilton, include the retention of an election expert, and the solicitation of feedback from electors and candidates.

In April, 2023, Council provided direction that the Elections Administration Audit was to report back to the General Issues Committee in May 2023.

This report fulfils the requirements of both Council directions. A consulting election expert (Kris Fletcher) was retained by the Office of the Auditor General (OAG). Ms. Fletcher has extensive experience as a Municipal Clerk who administered many municipal and school board elections, along with experience as a Returning Officer for an Electoral District in recent Ontario Provincial Elections. Additionally, the OAG retained Valencia Risk, a specialty IT Risk Advisory and Audit firm to complete work relating to the technology aspect of municipal and school board elections.

Feedback was solicited from eligible voters and candidates via two surveys that were conducted through late March and April 2023. The surveys were administered by Metroline Research Group (Metroline), and Metroline completed the survey analysis and results reporting.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

*Municipal Elections Act*

*Municipal Freedom of Information and Protection of Privacy Act*

*Safe Schools Act*

## **RELEVANT CONSULTATION**

Appendix “D” to Report AUD23008 includes the response from management responsible for overseeing municipal election administration in the Office of the City Clerk in the Corporate Services Department.

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

The audit objective was to review and assess the adequacy and effectiveness of systems, resources, agreements, policies and procedures used to administer the 2022 election cycle.

The Office of the Auditor General and team conducted surveys of eligible voters and candidates, and reviewed process documentation, compliance information, technology-related items, and other documents using the expertise of municipal experts, technology specialists and survey consultants.

The Audit Report summarizing our findings can be found at Appendix “A” to Report AUD23008.

The OAG made 50 recommendations which can be found in Appendix “D” to Report AUD23008. They comprise the following categories:

- Election Preparation and Readiness
- Technology
- Candidate Experience
- Voter/Resident Experience
- Advocacy to the Province of Ontario

Due to time constraints, one overall management response was received for all recommendations. The City Clerk has agreed to provide a detailed set of management action plans for each recommendation to the OAG by September 2023. These will be brought forward and reported to the General Issues Committee upon acceptance and review by the OAG.

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The Recommendations and Management Response can be found in Appendix “D” to Report AUD23008.

### **ALTERNATIVES FOR CONSIDERATION**

None.

### **ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

#### **Community Engagement and Participation**

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community

#### **Our People and Performance**

Hamiltonians have a high level of trust and confidence in their City government.

### **APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report AUD23008 – Elections Administration Audit Report

Appendix “B” to Report AUD23008 – Elections Administration Audit – Technology Report

Appendix “C” to Report AUD23008 – Elections Audit – Market Research

Appendix “D” to Report AUD23008 – Recommendations and Management Response